

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Michael Kubayanda, Chairman;  
Ann C. Fisher, Vice Chairman;  
Mark Acton;  
Ashley E. Poling; and  
Robert G. Taub

Competitive Price Changes

Docket No. CP2023-42

NOTICE AND ORDER CONCERNING CHANGES IN RATES AND CLASSIFICATIONS  
OF GENERAL APPLICABILITY FOR COMPETITIVE PRODUCTS

(Issued November 14, 2022)

I. INTRODUCTION AND OVERVIEW

On November 10, 2022, the Postal Service filed notice with the Commission concerning changes in rates and classifications of general applicability for Competitive products.<sup>1</sup> The Postal Service represents that, as required by 39 CFR 3035.102(b) and 39 CFR 3035.104(b), the Notice includes an explanation and justification for the changes, the effective date, and a schedule of the changed rates. See Notice at 1-2. The changes are scheduled to take effect on January 22, 2023. *Id.* at 1.

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<sup>1</sup> USPS Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, November 10, 2022 (Notice). Pursuant to 39 U.S.C. 3632(b)(2), the Postal Service is obligated to publish the Governors' Decision and record of proceedings in the *Federal Register* at least 30 days before the effective date of the new rates.

Attached to the Notice is Governors' Decision No. 22-6, which states the new prices are in accordance with 39 U.S.C. 3632 and 3633 and 39 CFR 3035.102.<sup>2</sup> The Governors' Decision provides an analysis of the Competitive products' price and classification changes intended to demonstrate that the changes comply with 39 U.S.C. 3633 and 39 CFR part 3035. Governors' Decision No. 22-6 at 1. The attachment to the Governors' Decision sets forth the classification and price changes and includes draft Mail Classification Schedule language for Competitive products of general applicability.

The Notice also includes an application for non-public treatment of the attributable costs, contribution, and cost coverage data in the unredacted version of the annex to the Governors' Decision, as well as the supporting materials for the data. Notice at 1-2.

*Planned price and classification changes.* The Governors' Decision includes an overview of the Postal Service's planned price changes which are summarized in the table below.

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<sup>2</sup> Notice, Decision of the Governors of the United States Postal Service on Changes in Rates and Classification of General Applicability for Competitive Products (Governors' Decision No. 22-6), at 1 (Governors' Decision No. 22-6).

**Table I-1**  
**Proposed Price Changes**

<b>Product Name</b>	<b>Average Price Increase (percent)</b>
<b>Domestic Competitive Products</b>	
Priority Mail Express	6.6
Retail	6.7
Commercial	6.0
Priority Mail	5.5
Retail	6.8
Commercial	3.6
Parcel Select	5.1
Destination-Entered non-Lightweight	5.1
Destination Delivery Unit	5.6
Destination Sectional Center Facility	4.7
Destination Network Distribution Center	5.0
Lightweight	6.1
Ground <sup>3</sup>	0.0
First-Class Package Service <sup>4</sup>	7.8
Retail	6.9
Commercial	8.0
Retail Ground <sup>5</sup>	6.4
<b>Domestic Extra Services</b>	
Premium Forwarding Service	6.5
Adult Signature Service	
Basic	6.5
Person-Specific	6.9
Competitive Post Office Box	6.5
Package Intercept Service	6.6
Pickup On Demand	6.0
Premium Data Retention and Retrieval Service	0.0
<b>International Competitive Products</b>	
Global Express Guaranteed	4.9
Priority Mail Express International	6.0
Priority Mail International	6.0
International Priority Airmail	3.5
International Surface Air Lift	12.0
Airmail M-Bags	6.4
First-Class Package International Service	6.5
<b>International Ancillary Services and Special Services</b>	
International Ancillary Services	12.2

Source: See Governors' Decision No. 22-6 at 2-5.

<sup>3</sup> The Postal Service notes that Parcel Select Ground is slated to be eliminated later in 2023.

<sup>4</sup> The Postal Service notes that First Class Package Service is slated to be expanded later in 2023.

<sup>5</sup> The Postal Service notes that USPS Retail Ground is slated for removal later in 2023.

Further classification changes for Priority Mail, Parcel Select, and certain International Special Services are summarized as follows:

- Commercial Base and Commercial Plus categories of Priority Mail Express and Priority Mail will collapse into one price category labelled “Commercial.”
- Priority Mail Regional Rate Boxes will be eliminated.
- For several Competitive products “Zone L 1, 2”, will be split into new “Zone 1” and Zone 2 categories and the “Local Zone” will be eliminated.
- A new price category under the Competitive Ancillary Services product titled “Label Delivery Service” will be introduced.
- Prices for Priority Mail Express International items that are weight-rated and tendered at retail counters will no longer be eligible for the discounted Priority Mail International rate.
- Zones prices that differ by origin ZIP Code for Priority Mail International destined to Canada will be collapsed into a single country group, and the related fee for the International Service Center (ISC) zone chart for such pieces will be eliminated.

Notice at 2-6; Governors’ Decision No. 22-6 at 2-5.

## II. INITIAL ADMINISTRATIVE ACTIONS

The Commission establishes Docket No. CP2023-42 to consider the Postal Service’s Notice. Interested persons may express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3035, and 39 CFR 3040 subparts B and E. Comments are due no later than December 2, 2022. For specific details of the planned price changes, interested persons are encouraged to review the Notice, which is available on the Commission’s website at [www.prc.gov](http://www.prc.gov).

Pursuant to 39 U.S.C. 505, Gregory S. Stanton is appointed to serve as Public Representative to represent the interests of the general public in this docket.

### III. ORDERING PARAGRAPHS

*It is ordered:*

1. The Commission establishes Docket No. CP2023-42 to provide interested persons an opportunity to express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3035, and 39 CFR 3040 subparts B and E.
2. Comments are due no later than December 2, 2022.
3. Pursuant to 39 U.S.C. 505, the Commission appoints Gregory S. Stanton to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Erica A. Barker  
Secretary